

Over 50 years ago, the United States found itself as the only economic and military superpower on earth - faced with the uncertainties of a new world order much depended on the U.S. for stability, peace and prosperity. We had to readjust our thinking, re-calibrate and change policies, refocus priorities, and lead. Yes, lead.

There is one common denominator between the world that exists today and the world that confronted Harry Truman---- American leadership. Just as Harry Truman helped prepare America for a new world 50 years ago, so must we help prepare America today for a new world in a new century with new challenges and new responses to those challenges.

Trade is one of America's most vital and fundamental elements that establishes our role and dictates our future in this new globally connected world. It connects us to all peoples of the world in positive and productive ways.

Trade is more than just commerce. It helps influence a nation's behavior. Our business and farm communities see this first hand. Trade and increased investment creates jobs, helps open closed societies, improves standards of living and provides increased hope and opportunities in all nations. When we lose trade opportunities, we also lose the ability to help encourage responsible conduct, promote freedom and democracy and develop market economies.

It makes no sense from a human rights, national security, economic, or geo-political perspective for the United States not to provide strong, aggressive leadership in helping break down trade barriers around the world.

U.S. businesses are getting out gunned in the international marketplace. Other nations are outmaneuvering the United States in world trade through their own bilateral trade agreements or through creative loopholes of the global trading rules that need to be addressed in a new WTO Round of negotiations.

This is happening because we have not made trade a top priority and not provided strong political leadership for this effort. Also contributing to the erosion of America's trade position has been inconsistent, contradictory regulations, sanctions and policies of our government that have inhibited, frustrated, limited and worked against our national interests and competitive position in world markets.

To undo this folly, Congress and the President must lead and not continue to defer the tough decisions on trade.

To lead in world trade, the U.S. must show its trade partners that it supports open markets and is willing to send its trade negotiators forward to engage and break down trade barriers. In order for the President to lead, it requires his being given the authority to negotiate and finalize trade agreements on behalf of our country. This means Trade Promotion Authority (TPA). TPA allows America's negotiators to negotiate the best possible agreements with our foreign partners.

TPA allows the President the ability to protect and expand America's trade interests around the world. This authority, that every American President has had since 1974, has been the so-called Fast Track Authority. However, since 1994, the President has been without this critical authority. This has hurt America's trade interests and our competitive position around the globe.

Congress needs to grant the President TPA this year. Sure we can start trade negotiations without TPA, but that only continues to waste precious time and resources and perpetuates the continual loss of American market share and American standards development in potential world markets. Is that in the best interests of American businesses and workers? Look at the Uruguay Round. Although it began in 1986, the serious negotiations did not take place until 1988 when Fast Track was passed. There was extensive deadlock before that time. Look at the Kennedy Round of GATT negotiations that ended in 1967. There was no broad Fast Track that covered more than tariffs. When our negotiators addressed dumping problems in the agreement, Congress refused to implement that portion of the agreement. The Europeans vowed never to seriously negotiate with us again until they knew our negotiators had authority from Congress to keep their word. Look at the Smoot-Hawley Act. That was a simple trade bill that spiraled out of control on the floor of the House as amendment after amendment was added to address special interests. Well, the special interests were addressed, but the nation's economy suffered and the world went to war. We need to stay focused on the big picture: America's competitive position in the world.

Included in this trade debate are labor and environmental standards. It is important to encourage other countries to improve their labor and environmental standards. But, unilateral trade sanctions or other punitive measures imposed by the United States on countries over labor and environmental standards help no one: no one!. Labor and environmental standards should be addressed, but tying labor and environmental enforcement standards to trade agreements is dangerous, short-sighted, unproductive, and self-defeating. Let us not forget our fundamental responsibilities----to enhance America's future competitive position in the world....not erode or diminish it. That should be our focus. That is not mutually exclusive with other responsibilities that come with trade.

We have a significant challenge before us. But, I believe Congress is up to the challenge. I look forward to working with members of this committee to support the swift passage of a Trade Promotion Authority that supports our negotiators, our businesses, our farmers, and our workers. But, we must be wise enough not to overburden our world trade structure where we in fact could see the collapse of world trade regimes if we are not careful. If we fail, we will squander future opportunities for our next generations, and history will surely judge us harshly. But, this is not America's heritage or destiny. We're better than that.

Thank you for this opportunity to share my views.